

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 58th LEGISLATURE - REGULAR SESSION

COMMITTEE ON LOCAL GOVERNMENT

Call to Order: By **CHAIRMAN MARK NOENNIG**, on February 11, 2003 at 3:50 P.M., in Room 472 Capitol.

ROLL CALL

Members Present:

Rep. Mark Noennig, Chairman (R)
Rep. Eileen J. Carney, Vice Chairman (D)
Rep. Scott Mendenhall, Vice Chairman (R)
Rep. Arlene Becker (D)
Rep. Rod Bitney (R)
Rep. Larry Cyr (D)
Rep. Ronald Devlin (R)
Rep. Gary Forrester (D)
Rep. Ray Hawk (R)
Rep. Hal Jacobson (D)
Rep. Jesse Laslovich (D)
Rep. Bob Lawson (R)
Rep. Rick Maedje (R)
Rep. Penny Morgan (R)
Rep. Alan Olson (R)

Members Excused: Rep. Holly Raser (D)

Members Absent: None.

Staff Present: Connie Erickson, Legislative Branch
Linda Keim, Committee Secretary

Please Note. These are summary minutes. Testimony and discussion are paraphrased and condensed.

The time stamp for these minutes appears at the beginning of the content it refers to.

Committee Business Summary:

Hearing & Date Posted: HB 416, HB 426, HB 441, 2/6/2003
Executive Action: HB 258

HEARING ON HB 416

{Tape: 1; Side: A; Approx. Time Counter: 0 - 6.1}

Sponsor: REP. CINDY YOUNKIN, HD 28, BOZEMAN

Opening Statement by Sponsor:

REP. YOUNKIN stated that HB 416 extends the protest time for the creation or extension of a Rural Improvement District (RID) from 15 days to 30 days. She said that 15 days was not long enough for people to protest an increase in their taxes, regardless of the benefit that it might bring to them. This would also make the time consistent with other protest periods such as utility services, water and sewer districts, local water quality districts, fire service areas, and mosquito control restrictions.

Proponents' Testimony:

John Vincent, Gallatin County Commissioner, said that all three commissioners support this bill. He said that in a high growth county, RIDs can cover large areas and be very complex. He estimated that the RID for the area west of Belgrade, called the "Amsterdam RID" involves 4,000-5,000 people, and about 25 subdivisions. He said that in some cases, several thousand notification letters are necessary.

Ron Ellis, Lewis and Clark County, stated support and said that the proposed extension of protest time from 15 days to 30 days would benefit the citizens who want a chance to speak.

Harold Blattie, Assistant Director, Montana Association of Counties (MACo), stated MACo's support and said that HB 416 is a reasonable alteration of current law that will not unreasonably delay the development of any RIDs. He asked for a do pass.

Opponents' Testimony: None

Informational Testimony: None

Questions from Committee Members and Responses: None

Closing by Sponsor:

REP. YOUNKIN thanked the committee and asked for a DO PASS.

HEARING ON HB 426***{Tape: 1; Side: A; Approx. Time Counter: 7 - 14.6}*****Sponsor: REP. PENNY MORGAN, HD 21, BILLINGS****Opening Statement by Sponsor:**

REP. MORGAN stated that HB 426 will prohibit local governments from establishing a facility or offering a service in direct competition with a for-profit entity that is already in existence. HB 426 will not affect anything currently in place. She gave an example of a waterslide that the City of Billings put in at taxpayer expense. She commented that equitable fees are not being charged: \$3 versus \$12.95 to go to the waterpark. Another example given was the Metra Park facility that has full campground hookups which are free to event users. She said that there were campgrounds in existence before the Metra Park facility was built. She stated that currently there is a proposal for a new health facility in the Heights.

REP. MORGAN said that the county health offices think that this bill would prevent them from adding new government medical services. This bill does not affect the dental or the medical community, since it caters to low income people who would not be getting private dental or health care. **REP. MORGAN** said that it may be necessary to amend HB 426 to make it clear that the medical community is exempt.

Proponents' Testimony:***{Tape: 1; Side: A; Approx. Time Counter: 14.6 - 30.9}***

Mike Fellows, Chairman, Montana Unitarian Party, said that local governments were set up to provide basic services, not to be in competition with local businesses. He said that there is a water slide in Great Falls, and the circumstances are the same. Government should be looking at ways to reduce the tax burden.

Riley Johnson, National Federation Independent Businesses (NFIB), said that NFIB has 8,000 members in Montana. He said their average member has two or three employees with an annual gross of \$250,000. The average take-home pay for NFIB members is \$34,700 per year. Mr. Johnson stated that government competition with private enterprise has been in existence since the 1980s. He said that in the past, a bill passed that eliminated the University System competing with local health clubs. There have been bills aimed at waste-hauling, etc. This bill is not retro-active and will not attack current situations. It sets future policy to prohibit competition. NFIB is in favor of the low-

income exclusion. He stated that cities and counties do not pay taxes on lots and equipment, that small businesses do. Liabilities and losses at city facilities are paid by taxpayers. City involvement hinders the development of small businesses. There is a need to develop a public policy that encourages entrepreneurship and small business owners. He urged a DO PASS.

Opponents' Testimony:

Alec Hansen, Montana League of Cities and Towns (MLCT), said that MLCT is opposed to HB 426. He stated that if a city has a private emergency ambulance service, that HB 426 would prevent the city from providing ambulance service even if it were desperately needed. Mr. Hansen said that there is a private skating rink in Helena, and asked, "Does that mean that the city can't flood a park somewhere for kids to skate?" He said that the owners of a private water park in Butte neglected the water system, and the City of Butte had to step in and repair it. He stated that sometimes cities need to provide a service that people really want and need.

Jani McCall, representing the City of Billings, stated that the restriction HB 426 places on local government is not in the best interest of the citizens because it is too broad. One concern is the recreational aspect of the bill, and the fact that local governments provide services, regardless of the ability to pay for those services. By allowing only private sector services, hundreds of kids would be deterred from enjoying summer recreation programs on a water slide in a public park.

John Ostlund, Yellowstone County Commissioner, said that HB 426 could reduce the county's ability to provide low cost services such as road and bridge repair. He said that they currently open small gravel pits in rural areas, and that this bill could prevent that ability. He urged opposition.

Joan Miles, Director of Health Department for Lewis and Clark County, also representing Missoula, Yellowstone and Cascade County Health Departments, said that they are very lucky to be able to provide dental services. She stated that HB 426 would prevent health departments from expanding to provide mental health services and/or a nicotine dependency center. She said that there is almost nothing they do with their public health services that someone in the private sector does not do. **Ms. Miles** stated that the government provides care for those who cannot access traditional health care and immunizations. She urged opposition to the bill, as written.

Pat Clinch, President Montana State Council of Professional Fire Fighters, said that they are opposed to HB 426 because it will not allow expansion of the fire service in Montana. He gave an example of the private ambulance service in Livingston whose owners wanted to get out of the business. He said that with HB 426 in place, the city could not have taken over that service. He stated that many other cities are considering taking over emergency medical service and ambulance. He asked for a DO NOT PASS, so that cities will be allowed to handle emergency services. He said that they could probably handle emergency services cheaper than the private sector could.

Harold Blattie, Assistant Director, Montana Association of Counties (MACo), stated that MACo is opposed to HB 426. He commented that it was said that not everyone can afford the waterpark. If they can't afford to go to the private one, and the municipality does not have one, there is a good chance for mischief. He commented that there are very few recreational vehicle parks that are run by local governments.

{Tape: 1; Side: B; Approx. Time Counter: 0 - 7.5}

Tim Burton, Helena City Manager, stated that the City of Helena's focus is on basic services. He said that residential expansion and the construction industry are both driven by the ability to expand sewer and water services. HB 426 would not allow the city to respond to expansion opportunities. He said that planning for capital infrastructure improvements such as the Ten-Mile Water-Treatment Plant would not be possible. He urged opposition.

Don Judge, Teamsters Local #190, said that the state mental health system was privatized several years ago, and the system failed. If HB 426 had been in place, the state could not have taken care of that problem. He said that lines 11-17 of the bill create a problem because a government entity cannot get involved. If a small gravel contractor, who cannot possibly fulfill the needs of the entire county, is operating in Lewis and Clark County, the county would be prohibited from providing that service. He said that sometimes government does a better job, on a more cost-effective basis. He urged opposition.

Joe Mazurek, City of Great Falls, stated that if a private museum existed, that the county could not establish a museum. He said that the bill is well-intentioned but it needs a lot of work.

Doug Neil, Montana State Fireman's Association, explained that in the case of heart attacks or severe chest pain, biological death will take place in four to eight minutes. He said that fire departments average a three and one-half minute response time in

the large cities. In Great Falls, where two private ambulances are being staffed and already running calls, Great Falls Fire and Rescue is available to perform life-saving measures. He stated that federal government Medicare and Medicaid cuts make it difficult for private ambulance companies to stay in business. This bill would prohibit local governments from going into the ambulance business.

Informational Testimony: None

Questions from Committee Members and Responses: None

Closing by Sponsor:

REP. MORGAN said that HB 426 does not affect things that are already established. She said that a possible amendment would be to exclude situations where public safety, health, and welfare would be endangered. Ambulance service is a necessary and primary function. The medical situations mentioned have to do with health, safety, and welfare. **REP. MORGAN** stated that government is designed to serve the people, and serving the people means providing necessary services. She stated that our founding fathers never intended that our governments would go into direct competition with private industry, only to undercut them. She urged a do pass.

HEARING ON HB 441

{Tape: 1; Side: B; Approx. Time Counter: 10.8 - 25.8}

Sponsor: **REP. LARRY CYR, HD 37, BUTTE**

Opening Statement by Sponsor:

REP. CYR said that HB 441 will solve a problem that occurs when a centrally-assessed property owner seeks to sell a parcel of land. Current law requires that all taxes have been paid. The problem for centrally-assessed taxpayers is that each parcel of land is not given its own separate assessment. All the property is aggregated and assessed at the school district level. HB 441 would allow the Department of Revenue to prorate the tax due on a reasonable basis, allowing the share of the total tax applicable to the land parcel to be determined and paid.

Proponents' Testimony:

John Fitzpatrick, Northwestern Energy, said that each privately owned tract of land gets an assessment from the Department of Revenue (DOR). Assessments and tax bills are issued separately

for each tract. He explained that with a utility, all of its property is brought together, and DOR does a valuation for the entire company. Dollars are then allocated back to that school district's counties and cities.

When a utility wants to dispose of property, they get caught up in the requirement that the taxes have to be paid before that property can be segregated and sold. He said that in Butte recently, Northwestern Energy had to pay \$1.7 million in taxes to complete the sale of a building for \$700,000. With this bill, DOR will determine the taxes for a particular parcel, and the company will write a check to cover that amount. The balance of tax due will be paid in May or November on the regular schedule. DOR will change the name of the property and reassess the property on the first of January.

Ronda Carpenter, Montana County Treasurer's Association, said that they are in favor of HB 441, but that they are asking for an amendment because they currently cannot accept partial tax payments. The amendment would cover only acceptance and deposits of partial tax payments on centrally-assessed property.

Opponents' Testimony: None

Informational Testimony:

Delores Cooney, Department of Revenue (DOR), said that they are prohibited from splitting assessments mid-year, and that they can only assess on the first of January. She explained that this bill will not request DOR to split an assessment, but to calculate a tax amount for a particular parcel. That amount will be given to the treasurer and create a partial payment of taxes. No other taxpayers are allowed to do that currently.

Questions from Committee Members and Responses:

REP. BECKER asked if a single tax bill assessment is in Statute.

Ms. Cooney replied that Statute requires DOR to assess and extend the taxes on a parcel of property. The treasurer is required to bill and collect.

CHAIRMAN NOENNIG asked Ms. Cooney about proration of taxes: 1) "Will DOR have any difficulty determining how to prorate? 2) How will 'on a reasonable basis' be handled? 3) What happens when they don't agree?" **Ms. Cooney** said that the company reports their value as of a certain time. DOR values the property as a whole and allocates the property out to the various jurisdictions. The company will have to give DOR the cost of the property, and isolate that in the document listing all of their property. DOR

will apply the cost-to-market factor that is developed against it, develop the taxable value, apply the appropriate mill levy, and pass that on to the treasurer.

CHAIRMAN NOENNIG asked Ms. Cooney to clarify if the company reports the cost, DOR values the whole property, and DOR applies cost-to-market factors to determine the value. He asked if DOR can identify the value of each portion of the property when that is done. **Ms. Cooney** answered that DOR would have to receive the exact line-item amount for that parcel from the company.

CHAIRMAN NOENNIG asked whether it caused any concern for DOR to be directed to do a division on a reasonable basis without any more guidance than that. **Ms. Cooney** said that she would rely on the Committee's expertise. **CHAIRMAN NOENNIG** specified that DOR would have to determine the value.

REP. MENDENHALL asked if the company is basically just paying a portion of their taxes on a different schedule. He asked if it was correct that if the amount was a little off initially, it is all made up at the end of the year. **Ms. Cooney** said, "Yes, the residual of the bill will be paid at the end of the year."

REP. DEVLIN asked if the way this would be handled would solve the county treasurer's concern about not being able to accept a partial payment. **Ms. Cooney** said that the acceptance of partial payment is a separate issue. DOR's issue is calculation.

Closing by Sponsor:

REP. CYR thanked the Committee for a good hearing and said that he would work toward getting an appropriate amendment drafted.

Prior to Executive Action, **CHAIRMAN NOENNIG** said that the Committee had been asked to put HB 339 on the Consent Calendar. He asked if there was any objection from the Committee to have HB 339 put on the Consent Calendar. There was no objection.

EXECUTIVE ACTION ON HB 258

{Tape: 2; Side: A; Approx. Time Counter: 0 - 11.5}

Motion: **REP. DEVLIN** moved that **HB 258 DO PASS.**

Motion: **REP. MAEDJE** moved that **HB 258 BE AMENDED.**

EXHIBIT (loh30a01) 25801

Discussion:

REP. MAEDJE said that Amendment 25801 specifies that the tobacco cessation program will be offered by a licensed health care facility that uses both behavioral therapy and medication.

REP. CARNEY asked what the cost would be. **REP. MAEDJE** said that information on cost is in the Fiscal Note, and that it is a one-time program. **REP. CARNEY** asked where the facilities are in Montana. **REP. MAEDJE** said that all of the major cities have facilities, and that the local board of health can also set-up clinics. **REP. CARNEY** asked if someone from a small town who wanted to attend a tobacco cessation program would have to re-locate to a major city. **REP. MAEDJE** said that there is an intense eight-day-inpatient program, and an outpatient program that can be done through clinics around the state. **REP. CARNEY** asked if there are any clinics currently operating. **REP. MAEDJE** said that he did not know.

Legislative Staffer Connie Erickson explained Amendment 25801. She said that the definition for tobacco or tobacco product will be in section (b).

Vote: Motion carried unanimously on a voice vote.

{Tape: 2; Side: A; Approx. Time Counter: 11.6 - 30}

Motion: **REP. MAEDJE** moved that **HB 258 BE FURTHER AMENDED.**
EXHIBIT(loh30a02) 25802

Discussion:

Connie Erickson explained that Exhibit 2 removes the requirement for a smoke ventilation system.

REP. MAEDJE stated that this requirement was complicated and no one wanted to deal with ventilation, so it was removed.

Vote: Motion carried with **REPS. LASLOVICH, CYR, and JACOBSON** voting no on a voice vote.

Connie Erickson explained the difference between the remaining amendments. Exhibit 3 removes local governments from enacting smoking ordinances that are stricter than the Montana Clean Indoor Air Act, except that bars and taverns are subject to that Act. Bars and taverns are exempted from any city ordinances that address the issue of smoking in public places. The exemption includes restaurants if they sell alcohol.

EXHIBIT (loh30a03) 25803

Connie Erickson explained that Exhibit 4 is the same amendment, except that this amendment applies to bars and taverns where food is only incidental to the consumption of the beverages. She said that the language was taken from either the Missoula or the Great Falls Ordinance and may be problematic.

Motion: REP. MAEDJE moved that **HB 258 BE FURTHER AMENDED.**

EXHIBIT (loh30a04) 25805**Discussion:**

REP. MAEDJE stated that the public would like to leave the restaurants out of the issue. Exhibit 4 allows local governments to enact any smoking ordinance they want. In an area where an outright smoking ban has a devastating financial effect on businesses and workers, and even on the tax base, bars and taverns need to be exempted. "Let the market decide whether or not the owner wants to ban smoking or not," stated REP. MAEDJE.

REP. BITNEY asked how establishments that primarily serve food and incidentally serve beverages would be covered. Connie Erickson said that they would be covered by a city ordinance.

CHAIRMAN NOENNIG explained that with the amendment (Exhibit 4), the city could ban smoking in restaurants, but not bars.

REP. MORGAN commented that she had spoken with the gaming lobbyist and was told that in Great Falls and Missoula if they were making 30% of their gross revenue in food, that percentage shows food to be incidental to the consumption of beverages.

Connie Erickson stated that if the Committee wants this amendment, that the percentage idea would tighten it up more than using the word "incidental."

REP. MAEDJE said that the city ordinance should define what "incidental" means.

REP. LAWSON asked about a restaurant with a bar in the same room, only separated by a wall or a door. He asked what applies as far as the ability of the city to control smoking.

{Tape: 2; Side: B; Approx. Time Counter: 0 - 30}

REP. MAEDJE answered that it might be better for the amendment to say, "licensed by the state to sell alcoholic beverages for

consumption on the premises **WHERE** food is only incidental...."
This would specify the separation.

Connie Erickson commented that there is only a single license for that bar and that restaurant. Under **REP. LAWSON's** scenario, if food is more than 30%, or whatever the percentage is, that establishment would be exempt under the amendment (Exhibit 4). It is a single licensed establishment, even though there are separate rooms.

REP. MENDENHALL said that whether an establishment was predominantly a bar or a restaurant as dictated by their percentage of sales, would reflect whether this exemption applied or not. **Connie Erickson** agreed.

REP. MENDENHALL stated that as evidenced by Great Falls and Missoula, local government can put an exemption in their referendum to exempt bars and taverns. He stated his opposition.

Substitute Motion: **REP. MAEDJE** made a substitute motion that **AMENDMENT (Exhibit 4) BE CONCEPTUALLY AMENDED.**

Discussion:

REP. MAEDJE gave the following conceptual amendment which would change section three: "...to sell alcoholic beverages for consumption on the premises in a specific location of the premises where food is only incidental to the consumption of the beverages."

CHAIRMAN NOENNIG confirmed the wording and stated that would change Section 3 in its entirety.

Connie Erickson stated that if this amendment is adopted, Sections 1, 2, and 4 would be left in the bill.

Vote: Motion passed 13-3 with **REPS. MENDENHALL, JACOBSON, and CYR** voting no, on a roll-call vote. **REPS. OLSON and RASER** voting by proxy.

REP. DEVLIN stated that he did not want to move amendment HB025804.

EXHIBIT (loh30a05)

REP. MAEDJE stated that he did not want to move amendment HB025803, (Exhibit 3).

Motion: **REP. MAEDJE** moved that **HB 258 DO PASS AS AMENDED.**

Discussion:

REP. CARNEY asked what is meant by "successfully completed" on Page 1, Line 23 of the bill. **REP. MAEDJE** said that payment would be made upon presentation of evidence when someone enrolls. Upon completion at a certified facility, the person would get a certificate, or some other evidence of successful completion.

REP. LASLOVICH asked about a saving clause stating that this does not affect proceedings that have already begun for the effective date of this act. **REP. MAEDJE** asked **Connie Erickson** for her comments. **Connie Erickson** said that Great Falls, Missoula, and Bozeman are similar, in that they currently exempt bars. Helena does not exempt bars from their ordinance. However, Bozeman passed their ordinance after Helena passed their ordinance. Ms. Erickson explained that in order to grandfather in Great Falls, Missoula, and Bozeman, Helena would also have to be grandfathered in, because something is grandfathered in by a certain date. She said that **REP. MAEDJE** did not want to grandfather in Helena.

CHAIRMAN NOENNIG said he understood that if there is no retroactive applicability date, this bill does not affect any ordinance that has already been passed. **Connie Erickson** said that she asked Greg Petesch and was told "No, that the state trumps the local."

CHAIRMAN NOENNIG asked, "Is it Mr. Petesch's opinion that if this bill passes, that the ordinances passed by any of those cities is invalid?" **Connie Erickson** said, "It would be invalid only if it conflicted with this."

REP. MAEDJE stated a further answer to **REP. LASLOVICH**'s second question is that this bill would not change anything for Great Falls, Missoula, and Bozeman. Helena's bill is suspended due to a court proceeding which will decide how much the city will have to pay to the bar owners. One of the reasons this bill was brought forward was to protect cities from that sort of liability, and make it a statewide guideline. Mr. Petesch's opinion and the sort of policy (tape inaudible) that he was trying to make to solve the problem. Helena, while suspended, would not be allowed to violate the provisions of the statewide clean air act.

REP. LASLOVICH stated that the Legislature should be proactive, rather than reactive. He said that he could support the bill if the language was proactive, rather than saying that this applies to four ordinances that were already passed.

REP. JACOBSON said that as amended, this bill is a preemption bill for the City of Helena smoking ordinance. He asked if that was right. **REP. MAEDJE** said that the court has already preempted the Helena Ordinance. He said that this bill would just agree with the court, at this juncture. **REP. JACOBSON** responded and said that the court has not preempted Helena's Smoking Ordinance. The court has only had some problems with the way the ordinance has been enforced.

REP. CYR commented that during the testimony there were eight proponents and 37 opponents. He said that testimony from several people indicated that smoking is not right, that this is a health issue, not a private property issue.

REP. MAEDJE responded to **REP. JACOBSON** and said that the ordinance is not in effect now because it is in litigation. This bill is not preempting local ordinances, it is agreeing with the situation that is currently in court.

CHAIRMAN NOENNIG asked, "Isn't there an injunction or a restraining order on the enforcement?" **Connie Erickson** said that there were two court actions and that the City Manager of Helena could tell the Committee what the legal status of the Ordinance is at this point. **CHAIRMAN NOENNIG** said that the case has not been decided. He asked **REP. MAEDJE** if he agreed. **REP. MAEDJE** answered "Yes." **CHAIRMAN NOENNIG** said that there is a stay in effect, but the case has not been finally decided.

REP. JACOBSON asked if there was any objection to having the City Manager of Helena briefly explain the status so that everyone would have a clear understanding. **CHAIRMAN NOENNIG** asked if there was any objection. **REP. MAEDJE** said that he would object, that it would be more appropriate to get the orders of the court instead of a report by a city official.

REP. MORGAN commented that her husband is an adamant nonsmoker, and even he feels that this is a property rights issue. She said that this bill is a compromise, and this is a no-win situation. As smoking becomes less prevalent, the market will drive itself, and bars and taverns that allow smoking will become non-smoking establishments. **REP. MORGAN** said that she supported the bill.

REP. CARNEY said that testimony indicated that for people who work in an establishment where people are smoking eight hours a day, it is the same as if they were smoking a pack or two of cigarettes a day. Many people have no option of what kind of job they will take, and the government should protect their health.

CHAIRMAN NOENNIG referred to an earlier remark by REP. MAEDJE and said that Great Falls, Missoula and Bozeman are not affected.

CHAIRMAN NOENNIG asked, "Was that because their ordinances fit within the exceptions, because of the way the bill is now drafted?" **REP. MAEDJE** said that is correct. The tavern owners association and the gaming industry said that this bill would not have any adverse effect with these amendments.

REP. JACOBSON commented that tobacco is part of the bill, but local control is really the issue. Constituents have told him that they want to keep local control to the maximum point in his district. **REP. JACOBSON** opposed the bill.

REP. MAEDJE referred to testimony from Dr. Sargent stating that healthcare costs went down after the smoking ordinance had been in effect. **REP. MAEDJE** said that Medicaid expenditures for Lewis and Clark County provided by the Department of Health and Human Services indicate that healthcare costs actually went up after the enactment in June. The smoking ban did not cause a decrease in healthcare expenditures for either workers or the Medicaid provider which is administered by Blue Cross and Blue Shield. He stated that a vast majority of the workers in bars smoke anyway.

REP. MAEDJE said that "local control" means that the private property owner has control over whether he wants to allow smoking or not. He said that HB 258 would extend the local control of the people who actually operate the business or own the tavern.

{Tape: 3; Side: A; Approx. Time Counter: 0 - 2.4}

Vote: Motion failed 7-9, with REPS. BECKER, BITNEY, DEVLIN, HAWK, MAEDJE, MORGAN, and OLSON voting yes, on a roll call vote. REPS. OLSON and RASER voting by proxy.

Motion/Vote: REP. LASLOVICH moved that HB 258 BE TABLED. Motion carried 9-7 with REPS. BECKER, BITNEY, DEVLIN, HAWK, MAEDJE, MORGAN, and OLSON voting no. REPS. OLSON and RASER voting by proxy.

ADJOURNMENT

Adjournment: 5:20 P.M.

REP. MARK NOENNIG, Chairman

LINDA KEIM, Secretary

MN/LK

EXHIBIT (loh30aad)